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FISCAL IMPACT STATEMENT

LS 7705

BILL NUMBER: SB 427

NOTE PREPARED: Jan 7, 2007

BILL AMENDED:

SUBJECT: Early childhood and kindergarten programs.

FIRST AUTHOR: Sen. Simpson

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill requires school corporations to offer full-day kindergarten under a schedule established by the Department of Education, "DOE". It provides that the schedule must require schools that receive Title I funding to offer full-day kindergarten beginning with the 2007-2008 school year, and all school corporations to offer full-day kindergarten beginning with the 2009-2010 school year.

The bill appropriates \$3,000,000 to the Department of Education to be used to fund matching grants to school corporations to participate in the Imagination Library to provide books for children from birth through five years of age.

Effective Date: Upon passage; July 1, 2007.

Explanation of State Expenditures: The Department of Education could incur some additional expense in developing the schedule for full-day kindergarten implementation. The increase cost would probably be minor.

The bill appropriates \$3 M for the FY 2008-2009 biennium to the Department of Education from the state General Fund to fund matching grants to schools to participate in the Imagination Library Early Reading Program. Before January 1, 2008, DOE has to enter into an agreement with the Imagination Library to establish a free book program for children from birth to age 5 and establish criteria for distributing the matching grants to schools.

Explanation of State Revenues:

Explanation of Local Expenditures: The bill requires some schools to offer a full-day kindergarten program starting with the 2007-2008 school year and all schools by the 2009-10 school year according to a schedule established by DOE. The schedule developed by DOE must provide that:

1. During the 2007-2008 and 2008-2009 school years, a school corporation designated by DOE's schedule has to offer full-day kindergarten in schools eligible for Title I funding.
2. Beginning with the 2009-2010 school year all school corporation would be required to offer full-day kindergarten programs.

Parents may choose to send their children to either a half-day of full day program, or not at all.

Local schools can currently offer either full-day, half-day, or a combination program for kindergarten. The Department of Education conducted a survey of schools concerning kindergarten programs for the 2006-2007 school year. There were 75,407 kindergarten students, 45,370 of the students attended a half-day program and 30,028 students attended a full-day program.

The additional costs of school would depend on DOE's schedule, the number of students selecting a full-day program, the number of additional teachers needed, the average salary paid to the additional teachers, transportation cost, and possible additional classrooms that might be needed. The additional annual cost when fully implemented could range between \$135 M and \$285 M depending on the various factors mentioned above.

The current funding for full-day kindergarten comes from the state, federal government, local schools, and parents. The bill does not provide a revenue source for the additional expenditures so school would have to fund the program with the existing revenue stream.

Title I dollars are currently used for full-day kindergarten since the program is supplemental to the state required programs. Title I dollars would probably not be available for full-day kindergarten programs when the program is required to be available for all students. The Title I dollars could be used for other supplemental programs by the corporation.

Explanation of Local Revenues:

State Agencies Affected: Department of Education.

Local Agencies Affected: Local Schools.

Information Sources: Department of Education databases.

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